

**ANNUAL REPORT
OF THE
COMMISSION ON MENTAL HEALTH**



November, 2005

INDIANA LEGISLATIVE COUNCIL

2005

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I. STATUTORY DIRECTIVE

The Indiana General Assembly enacted P.L. 243 -2003, SECTION 14, directing the Commission to do the following:

- (1) Study and evaluate the funding system for managed care providers of mental health services.
- (2) Review and make specific recommendations regarding the provision of mental health services delivered by community managed care providers and state operated hospitals.
- (3) Review and make recommendations regarding any unmet need for publicly supported mental health services in any specific geographic area or throughout Indiana. In formulating these recommendations, the Commission shall consider the need, feasibility, and desirability of including additional organizations in the network of managed care providers.
- (4) Review the results of the actuarial study which must be submitted by the division of mental health and addiction to the Commission not later than thirty (30) days after completion of the actuarial study.
- (5) Make recommendations regarding the application of the actuarial study by the Division of Mental Health and Addiction to the determination of service needs, eligibility criteria, payment, and prioritization of service.
- (6) Monitor the implementation of managed care programs for all populations of the mentally ill that are eligible for care that is paid for in part or in whole by the state.

II. INTRODUCTION

The Commission met five times during the 2005 interim session on August 9, August 30, September 13, October 4, and October 25. The Commission is not required to file a final report.

Meeting minutes for the Commission can be accessed from the General Assembly Homepage at <http://www.in.gov/legislative/>.

III. SUMMARY OF MEETINGS

The Commission received monthly reports at the August 9, September 13, and October 4 meetings from the Family and Social Services Administration (FSSA) concerning FSSA's plan to give control of the Richmond State Hospital, Madison State Hospital, and Evansville State Hospital to local nonprofit entities. (More detail on the meetings can be obtained from the

minutes available from the General Assembly homepage referenced above.)

At the August 9 meeting, the Commission focused on updates from FSSA's, Division on Mental Health and Addiction (DMHA), including updates on the status of DMHA, the disaster plans for DMHA, and the status of the President's Freedom Commission planning grant DMHA is using to do strategic planning. There were comments from NAMI and the Mental Health Association in Indiana. There was also a presentation by Our Town, which is a pilot program to help young adults with mental illness adjust to living in the community.

At the August 30 meeting, the Commission focused on Medicaid issues and how they impact persons with mental illness. The presentations covered implementation of HEA 1325 concerning the Drug Utilization Review Board's study of restrictions on certain drugs, the Medicaid Select Advisory Committee, and the Medicare Modernization Act.

At the September 13 meeting, the Commission focused on issues concerning persons with mental illness and the criminal justice system. There were presentations on medical issues in the Department of Correction (DOC), a grant to study psychiatric services provided at DOC, the criminal diversion program, and the sex offender program.

At the October 4 meeting, the focus was on issues involving children with mental illness. The Commission received presentations from the Indiana Bar Association (IBA) concerning the IBA's Children's Project, special needs adoptions, and mental health screening in schools. There was also a presentation on cost savings for treatment of addiction instead of incarceration.

At the October 25 meeting, there were follow up presentations on DMHA initiatives for children, and the drug formulary used by DOC.

IV. RECOMMENDATIONS

The following recommendations were made at the October 25, 2005, meeting of the Commission.

Recommendation #1 - The Commission supports appropriate funding and possible expansion of the Our Town program.

Recommendation #2 - The Commission urges the Department of Correction to use a drug formulary that is no more restrictive than the Medicaid drug formulary.

Recommendation #3 - The Commission would like to see the entire correctional system, including local jails, work on a plan where mental health services and psychiatric drugs are provided at the local jails and records from local jails follow the inmates to the DOC. Any system that is developed for sharing records must be sensitive to HIPA constraints.

Recommendation #4 - PD 3050 was endorsed by the Commission. The Commission expires on

January 1, 2006, and PD 3050 would make the Commission permanent.

Recommendation #5 - The Commission should follow the closing of the Fort Wayne State Developmental Center with particular attention to the use of beds at the mental hospitals for clients who are mentally retarded and developmentally disabled (MR/DD).